



Billing Code 5001-06

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

Providing Accelerated Payment to Small Business Subcontractors.

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Notice.

SUMMARY: In accordance with the Director, Defense Procurement and Acquisition Policy memorandum of July 14, 2014, DoD is re-instating the temporary practice of providing accelerated payments to all prime contractors.

DATES: Effective August 1, 2014 through December 31, 2016, unless otherwise rescinded or extended.

FOR FURTHER INFORMATION CONTACT: Mark Gomersall, phone 571-372-6099.

SUPPLEMENTARY INFORMATION: OMB Memorandum M-14-10, Extension of Policy to Provide Accelerated Payment to Small Business Subcontractors (July 10, 2014) has extended the temporary policy previously initiated in OMB Memorandum M-12-16, Providing Prompt Payment to Small Business Subcontractors (July 11, 2012), which established the administration's initiative to accelerate Federal Payments to prime contractors, so that prime contractors can, in turn, expedite payments to their small business

subcontractors. The memoranda are available at:

http://www.whitehouse.gov/omb/memoranda_default/

This notice promulgates the Director, Defense Procurement and Acquisition Policy (DPAP) memorandum, Providing Accelerated Payment to Small Business Subcontracts (July 14, 2014), to implement the OMB Memorandum M-14-10 within DoD.

DoD is re-instating the temporary practice of providing accelerated payments to all prime contractors, effective August 1, 2014. DoD contracting officers will continue to use the clause at FAR 52.232-40, Providing Accelerated Payments to Small Business Subcontractors, which requires contractors, upon receipt of accelerated payments from the Government, to make accelerated payments to small business subcontractors. The Director, DPAP memorandum is available at:

<http://www.acq.osd.mil/dpap/policy/policyvault/USA004292-14-DPAP.pdf>.

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